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U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.



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APR 17 1970

WORLD COFFEE PRODUCTION

CURRENT SERIAL RECORDS

COFFEE
FCOF 2-70
April 1970

ESTIMATE VIRTUALLY UNCHANGED

Summary

With only minor adjustments up or down for a number of countries, the Foreign Agricultural Service's fourth estimate (March) of the world coffee crop for the 1969-70 crop year remains virtually unchanged from the third estimate made in December. The total world harvest is estimated at about 64 million bags,^{1/} of which approximately 45.8 million bags are expected to be available for export^{2/} after allowing for estimated consumption in the producing countries.

Since estimated world import demand for coffee during the current coffee year substantially exceeds estimated exportable production, there will undoubtedly be a significant drawdown of accumulated stocks, particularly those held in Brazil. This will be the fourth consecutive year in which such a drawdown has been made necessary because of insufficient current-year production.

Among the more marked individual country changes are decreases of 100,000 bags each in the estimates for Costa Rica and India and increases of 100,000 bags each in the estimates for El Salvador and the Ivory Coast.

^{1/} All bags in text and tables are 60 kg. (132.276 lb.).

^{2/} Exportable production is total production less estimated domestic consumption.

GREEN COFFEE: World total harvested production for the marketing year 1969-70, with comparisons 1/

Continent and country	Average					4th
	1960/61-	1966-67	1967-68	1968-69		estimate
	1964/65					1969-70
	1,000 bags 2/	1,000 bags 2/	1,000 bags 2/	1,000 bags 2/		1,000 bags 2/
North America:						
Costa Rica	1,056	1,215	1,350	1,260		1,200
Cuba	645	450	450	500		500
Dominican Republic	607	505	635	540		635
El Salvador	1,812	1,960	2,400	1,900		2,400
Guatemala	1,704	1,670	1,850	1,740		1,750
Haiti	564	465	500	480		450
Honduras	379	340	480	400		500
Mexico	2,431	2,650	2,800	2,850		3,100
Nicaragua	491	480	550	560		600
Other 3/	505	433	552	482		511
Total North America	10,194	10,168	11,567	10,712		11,646
South America:						
Brazil	25,840	20,000	23,000	16,500		19,000
Colombia	7,760	7,600	8,000	7,900		7,900
Ecuador 4/	751	975	1,175	1,000		700
Peru	700	875	880	860		940
Venezuela	821	725	700	750		750
Other 5/	114	121	136	172		242
Total South America	35,986	30,296	33,891	27,182		29,532
Africa:						
Angola	2,910	3,300	3,400	3,100		3,300
Burundi	180	240	315	275		225
Cameroon	801	1,000	1,100	1,100		1,100
Central African Republic	147	140	175	160		150
Congo (Kinshasa)	990	900	1,000	1,000		1,100
Ethiopia	1,490	1,750	1,750	2,045		2,000
Guinea	195	120	170	180		200
Ivory Coast	3,185	2,200	4,500	3,400		4,100
Kenya	624	935	650	800		835
Malagasy Republic	923	865	1,100	900		830
Rwanda	115	155	190	200		145
Sierra Leone	79	65	80	95		75
Tanzania	497	990	740	950		800
Togo	186	90	175	280		250
Uganda	2,429	2,450	2,700	3,150		2,750
Other 6/	326	369	374	390		389
Total Africa	15,077	15,569	18,419	18,025		18,249
Asia and Oceania:						
India	1,045	1,395	1,050	1,300		1,150
Indonesia	2,016	1,850	2,150	2,000		2,000
Philippines	631	740	700	750		800
Other 7/	390	559	627	639		634
Total Asia and Oceania	4,082	4,544	4,527	4,689		4,584
World total production	65,339	60,577	68,404	60,608		64,011

1/ Coffee marketing year begins about July in some countries and in others about October. Exportable production represents total harvested production minus estimated domestic consumption. 2/ Of 60 kilograms each. 3/ Includes Guadeloupe, Hawaii (USA), Jamaica, Martinique, Panama, Puerto Rico, and Trinidad and Tobago. 4/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Hence, the crop harvested principally during June-October 1967 in that country is shown as production for the 1967-68 marketing year. In Ecuador, however, this is referred to as the 1966-67 crop. 5/ Includes Bolivia, Guyana, Paraguay, and Surinam. 6/ Includes Cape Verde, Comoro Islands, Congo (Brazzaville), Dahomey, Gabon, Ghana, Liberia, Nigeria, Sao Tome and Principe, and Spanish Guinea. 7/ Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor, South Vietnam, and Yemen.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of Agricultural Attachés and Foreign Service Officers, results of office research and related information.

Continent and country	Average 1960/61- 1964/65	1966-67 bags 2/	1967-68 bags 2/	1968-69 bags 2/	4th estimate 1969-70 bags 2/
North America:					
Costa Rica	937	1,080	1,210	1,115	1,050
Cuba	70	---	---	---	---
Dominican Republic	461	340	465	365	450
El Salvador	1,702	1,825	2,260	1,755	2,250
Guatemala	1,500	1,450	1,625	1,505	1,510
Haiti	395	290	320	295	265
Honduras	308	250	390	305	400
Mexico	1,521	1,350	1,550	1,400	1,600
Nicaragua	446	420	490	495	530
Other 3/	161	96	102	92	99
Total North America	7,501	7,101	8,412	7,327	8,154
South America:					
Brazil	18,840	12,000	14,745	8,000	10,250
Colombia	6,800	6,350	6,700	6,570	6,530
Ecuador 4/	555	780	975	795	490
Peru	540	675	670	645	720
Venezuela	355	175	130	160	160
Other 5/	62	53	67	90	75
Total South America	27,152	20,033	23,287	16,260	18,225
Africa:					
Angola	2,859	3,240	3,340	3,040	3,240
Burundi	175	235	310	270	220
Cameroon	780	970	1,070	1,070	1,070
Central African Republic	142	135	170	155	145
Congo (Kinshasa)	940	850	950	950	1,050
Ethiopia	1,152	1,385	1,380	1,420	1,375
Guinea	181	105	155	175	190
Ivory Coast	3,135	2,145	4,445	3,350	4,050
Kenya	605	915	630	780	815
Malagasy Republic	825	760	990	785	710
Rwanda	110	150	180	190	135
Sierra Leone	69	55	70	85	65
Tanzania	484	975	725	935	785
Togo	183	85	170	275	245
Uganda	2,416	2,435	2,685	3,135	2,735
Other 6/	301	345	350	345	343
Total Africa	14,357	14,785	17,620	16,960	17,173
Asia and Oceania:					
India	462	700	350	560	390
Indonesia	1,756	1,490	1,650	1,500	1,500
Philippines	---	---	---	---	---
Other 7/	225	334	402	408	403
Total Asia and Oceania	2,443	2,524	2,402	2,468	2,293
World exportable production	51,453	44,443	51,721	43,015	45,845

1/ Coffee marketing year begins about July in some countries and in others about October. Exportable production represents total harvested production minus estimated domestic consumption. 2/ Of 60 kilograms each. 3/ Includes Guadeloupe, Hawaii (USA), Jamaica, Martinique, Panama, Puerto Rico and Trinidad and Tobago. 4/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Hence, the crop harvested principally during June-October 1967 in that country is shown as production for the 1967-68 marketing year. In Ecuador, however, this is referred to as the 1966-67 crop. 5/ Includes Bolivia, Guyana, Paraguay, and Surinam. 6/ Includes Cape Verde, Comoro Islands, Congo (Brazzaville), Dahomey, Gabon, Ghana, Liberia, Nigeria, Sao Tome and Principe, and Spanish Guinea. 7/ Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor, South Vietnam, and Yemen.

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Production

North America. As was foreseen in January, the Costa Rican crop was adversely affected by rains during the harvest period, and 1969-70 production is now estimated at about 5 percent less than that of the preceding year.

The estimate for Guatemala has also been reduced slightly. Unusually copious rains during the rainy season brought about an increase in fungus diseases, which occasioned some berry drop.

Production in Haiti will also be less than anticipated earlier. Here the culprit was not adverse weather conditions but rather a general decline in productivity due to aging trees and the absence of significant reinvestment in the coffee area.

In contrast to the foregoing, 1969-70 production estimates have been revised upwards for both El Salvador and the Dominican Republic. Salvadoran production will probably equal the record crop of 1967-68; the estimate for the Dominican Republic is the highest for that country in the past several years. Higher production is attributed, in the latter country, to good weather and the absence of hurricane damage for the past several years.

However, despite average-to-good crops in most countries, it appears that El Salvador is the only country in the North American regional group that will have any significant amount of coffee in excess of its current 1969-70 quota.

South America. The fourth estimate for the 1969-70 crop in Brazil remains the same as the third estimate--that is, 19 million bags. However, reflecting both reduced demand in consuming countries as well as farmer reluctance to sell in Brazil, registrations of coffee for export have been below normal in recent months.

Coffee production in 1969-70 in Colombia is expected to be at about the level of the preceding year. Some sources believe this estimate to be slightly low and point out that the mid crop was a good one and that flowering for the main crop was excellent.

The estimates for Venezuela and Ecuador remain unchanged. Peru is now expected to harvest a slightly smaller crop than earlier anticipated owing to lack of rain in some areas and insect damage in others.

Africa. Crop conditions in most of the African coffee-producing countries remain essentially as described in the third quarterly coffee circular published in January 1970. There have been a few minor changes in the various production estimates, including a small downward revision in the estimate for Burundi and upward adjustments for the Ivory Coast, Guinea, and Togo.

Total African production, estimated at 18.2 million bags for 1969-70, is only slightly higher than that in 1967-68 or 1968-69.

Asia. It is now believed that coffee production in India in 1969-70 will be lower than indicated by earlier forecasts. The revised figure is based on data received from both official and unofficial sources. In view of this smaller crop and increasing domestic consumption, exportable production will be less than last year.

The production estimate for Indonesia remains unchanged.

Smaller producing countries. Exportable production in the smaller producing countries is estimated to be as follows, with comparable 1968-69 estimates in parentheses, in thousands of bags: Jamaica, 6,000 (4,000); Panama, 16,000 (11,000); Trinidad and Tobago, 57,000 (51,000); Bolivia, 45,000 (45,000); Paraguay, 25,000 (40,000); Congo (Brazzaville), 14,000 (19,000); Dahomey, 13,000 (16,000); Gabon, 18,000 (18,000); Ghana, 86,000 (70,000); Liberia, 56,000 (63,000); Nigeria, 40,000 (43,000); Equatorial Guinea, 110,000 (110,000); New Caledonia, 20,000 (20,000); Papua and New Guinea, 285,000 (275,000); Portuguese Timor, 45,000 (50,000); and Yemen, 50,000 (60,000).

Other Developments

Quotas. Further increases in quota, amounting to 2,015,000 bags, were distributed during January by the International Coffee Organization in accordance with the provisions of Resolutions 216 and 218 approved last fall. The total quota in effect following these actions amounted to 51,010,700 bags.

Should the composite price of the four main types of coffee remain above 40.67 U.S. cents per pound, as seems likely, an additional 750,000 bags of coffee will be added to quotas in April.

Trade. United States imports of green coffee in 1969 amounted to only 20.3 million bags, 20.3 percent less than in 1968 and the lowest amount imported in any year since 1958. Imports during 1968 were exceptionally high owing to a buildup in inventories in anticipation of a longshoremen's strike in the fall of 1968.

Imports of soluble coffee, however, increased sharply in 1969 to 911,205 bags (green bean equivalent) compared with only 511,423 bags in 1968. Brazil continued as the principal supplier of soluble coffee with shipments to the United States market of 639,999 bags (green bean equivalent) in 1969.

As in past years, the United States purchased coffee from a great many countries. There were some shifts, however, in the proportions of amounts of coffee coming from different areas. Latin American producers of Mild coffee, for example, increased their share of the U. S. market to 36 percent in 1969 from 32 percent in 1968. Imports of coffee from Africa and Asia, largely Robustas, amounted to 35 percent of the total in both years. Brazil's share of the market, however, dropped to 29 percent in 1969 from 33 percent in 1968.

Prices. Coffee prices in general were stable during the first quarter of 1970. The ICO composite price, which reached 49.5 cents per pound in mid-January, edged up only slightly to 50.3 cents per pound at the end of March. There was some up-and-down price movement during the quarter, however, and price behavior differed according to type.

Colombian Milds peaked in January at just over 60 cents per pound, subsequently fell to about 56.5 cents in February, and recovered in March to reach 59 cents per pound at the end of the month.

Unwashed Arabicas, primarily Brazil's, were very steady throughout the quarter at about 53 cents per pound.

Other Milds and Robustas followed similar trends during the period under review. That is, a slight rise in early January followed by a decline in February and a rather strong recovery in March, particularly during the last half of the month.

By the end of March, Other Milds, Unwashed Arabicas, and Robustas were all at new highs for the 1969-70 coffee year with only Colombian Milds below the peak reached in January.

In late March the Brazilian Coffee Institute issued a resolution raising minimum export prices from 46.5 cents per pound to 47 cents for shipments effected in May; to 47.5 cents for coffee exported in June; and to 48 cents per pound for July shipments.

Taking into account the various factors that might be expected to have a bearing on the market, it is believed likely that prices will remain relatively stable during the next few months.

Outbreak of Hemileia vastatrix in Brazil. Reports from Brazil in early February indicated that trees infected with the rust disease Hemileia vastatrix had been discovered in the State of Bahia. Subsequent reports indicate that the disease may also have spread to the States of Espirito Santo, Minas Gerais, and Rio de Janeiro.

This is the first appearance of this disease in the Western Hemisphere, aside from a very minor outbreak in Puerto Rico in 1903 that was quickly and successfully eradicated.

Brazilian authorities, assisted by experts from Portugal, are now evaluating the situation with a view to determining possible control and eradication measures.

GREEN COFFEE: Value of exports by specified producing countries
 1962-68^{1/}

Countries	1962	1963	1964	1965	1966	1967 2/	1968 3/
	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.
Costa Rica	48	46	48	47	52	55	55
Dominican Republic	20	19	31	21	21	17	18
El Salvador	76	75	93	96	91	97	90
Guatemala	67	77	71	92	100	68	73
Haiti	24	16	16	20	18	13	14
Honduras	11	14	17	22	20	17	21
Mexico	61	43	84	63	71	52	66
Nicaragua	15	18	21	26	22	21	23
.....							
Brazil	643	747	760	707	764	705	774
Colombia	332	303	394	344	328	322	351
Ecuador	21	18	21	38	32	39	38
Peru	24	26	37	29	29	26	32
Venezuela	19	23	20	14	17	15	8
.....							
Angola	64	63	95	93	106	123	122
Ethiopia	43	44	64	75	62	56	62
Ivory Coast	77	120	129	106	123	103	145
Uganda	56	76	99	85	97	97	100
Kenya	31	31	43	39	53	44	36
Tanzania	18	19	31	24	42	33	37
.....							
India	17	17	29	24	23	22	25
Indonesia	13	20	27	32	33	45	46
.....							
Total specified countries	1,680	1,815	2,130	1,997	2,104	1,970	2,136
.....							

1/ Coffee exports from these countries represent around 90 percent of total world exports. 2/ Revised. 3/ Preliminary.

Foreign Agricultural Service. Compiled from official statistics of foreign governments, reports of agricultural attaches and Foreign Service officers, trade reports, and other related source materials.

GREEN COFFEE: U. S. imports, 1965-1969

Continent and country	1965	1966	1967	1968	1969 ^{1/}
	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}
North America:					
Costa Rica	305,753	231,384	324,088	293,994	271,240
Dominican Republic	309,716	352,874	253,523	329,276	325,520
El Salvador	722,125	592,683	853,489	578,699	596,390
Guatemala	903,830	1,110,111	706,127	718,291	825,030
Haiti	100,381	89,481	87,850	89,791	60,630
Honduras	290,138	248,555	138,614	342,169	269,250
Mexico	1,138,635	1,034,997	990,192	1,293,040	1,125,480
Nicaragua	250,949	135,376	174,002	216,079	152,870
Panama	1,960	5,264	7,804	8,498	500
Trinidad and Tobago	25,505	11,152	20,159	41,315	32,450
Other	855	654	1,888	62	33
Total North America	4,049,847	3,812,531	3,557,736	3,911,214	3,659,393
South America:					
Brazil	5,742,684	6,731,010	6,069,371	8,317,780	5,778,900
Colombia	3,299,853	2,709,900	3,062,755	3,049,851	2,479,440
Ecuador	502,484	432,278	467,390	416,530	376,800
Peru	454,235	447,309	447,502	510,017	453,500
Venezuela	236,607	270,625	283,496	158,698	282,920
Other	65,294	78,283	81,356	61,588	44,388
Total South America	10,301,157	10,669,405	10,411,870	12,514,464	9,415,948
Africa:					
Angola	1,278,522	1,211,189	1,481,956	1,754,092	1,294,000
Burundi/Rwanda	340,077	333,371	433,147	429,047	427,340
Cameroon	147,083	331,253	381,243	481,543	308,140
Congo (Kinshasa)	145,745	35,840	41,631	259,720	157,630
Ethiopia	1,158,095	792,048	1,059,034	963,467	942,870
Ivory Coast	840,669	1,224,366	689,997	1,457,884	813,780
Kenya	118,173	173,806	113,683	211,898	117,240
Malagasy Republic	404,927	245,853	345,927	496,687	329,420
Tanzania	122,265	237,154	127,917	201,320	252,280
Uganda	1,108,478	1,245,939	1,054,721	1,201,995	1,023,520
Other	498,568	646,110	220,580	246,262	323,324
Total Africa	6,162,602	6,476,929	5,949,836	7,703,915	5,989,544
Asia and Oceania:					
India	73,398	45,283	135,218	117,651	117,650
Indonesia	643,263	974,349	1,136,803	993,460	922,320
Other	66,927	82,360	114,590	133,073	123,778
Total Asia and Oceania	783,588	1,101,992	1,386,611	1,244,184	1,163,748
Other countries	1,917	1,942	5,782	5,743	4,188
Grand total	21,299,111	22,062,799	21,311,835	25,379,520	20,232,821

^{1/} Preliminary. ^{2/} 132.276 lb. each.

GREEN COFFEE: U. S. gross imports for consumption by months, 1965-69

Calendar year	1965	1966	1967	1968	1969 <u>1/</u>
	Bags 2/	Bags 2/	Bags 2/	Bags 2/	<u>Bags 2/</u>
January	460,698	1,829,079	1,979,151	2,202,380	363,175
February	1,295,938	2,017,663	1,618,308	2,460,589	1,111,042
March	2,446,165	2,384,800	2,092,294	1,755,075	2,014,741
April	1,658,847	1,965,127	1,717,016	2,398,436	2,195,313
May	1,553,587	1,817,855	1,721,544	1,956,415	1,663,752
June	1,830,766	1,680,072	1,646,851	1,640,882	1,746,915
January - June ...	9,246,001	11,694,596	10,775,164	12,413,777	9,094,938
July	1,206,105	1,569,851	1,748,253	2,481,072	1,714,315
August	1,556,237	1,309,060	1,818,394	2,398,350	1,476,064
September	1,820,811	2,084,606	1,598,623	2,321,955	1,778,440
October	2,666,075	2,167,597	2,102,596	1,682,161	2,326,839
November	2,549,383	1,573,023	1,844,717	2,137,254	2,167,091
December	2,254,499	1,664,066	1,424,088	1,944,951	1,675,134
July - December ..	12,053,110	10,368,203	10,536,671	12,965,743	11,137,883
Calendar year total	21,299,111	22,062,799	21,311,835	25,379,520	20,232,821
Fiscal year total <u>3/</u>	20,244,685	23,747,706	21,143,367	22,950,448	22,060,681
ICO year <u>4/</u>	20,187,748	24,128,070	21,345,120	24,986,555	19,828,123

1/ Preliminary.

2/ 132.276 pounds each.

3/ Twelve months, ending June 30 of year shown.

4/ Twelve months, ending September 30 of year shown. ICO is International Coffee Organization.

United States Bureau of the Census.

GREEN COFFEE: U. S. gross imports by country or area of origin,
average 1960-64, annual 1966-69

Area of origin	Average	1966		1967		1968		1969 1/	
	1960-64	Mil.	Per-	Mil.	Per-	Mil.	Per-	Mil.	Per-
		bags	cent	bags	cent	bags	cent	bags	cent
Brazil	8.68	37	6.73	31	6.07	29	8.32	33	5.78
Africa and Asia ...	5.24	23	7.58	34	7.34	34	8.95	35	7.15
Mild coffees:									
Colombia	4.06	18	2.71	12	3.06	14	3.05	12	2.48
Other South America	1.08	5	1.23	6	1.28	6	1.15	5	1.16
Mexico and Central America:	3.51	15	3.36	15	3.20	15	3.45	14	3.24
Caribbean .....	.54	2	.45	2	.36	2	.46	1	.42
Total Latin Amer. Milds...	9.19	40	7.75	35	7.90	37	8.11	32	7.30
Total world	23.11	100	22.06	100	21.31	100	25.38	100	20.23
									100

1/ Preliminary.

2/ 132.276 lb. each.

United States Bureau of the Census.

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